

1        77.52 (2) (a) 10. Except for installing or applying tangible personal property  
2        which, when installed or applied, will constitute an addition or capital improvement  
3        of real property, the repair, service, alteration, fitting, cleaning, painting, coating,  
4        towing, inspection, and maintenance of all items of tangible personal property  
5        unless, at the time of such repair, service, alteration, fitting, cleaning, painting,  
6        coating, towing, inspection, or maintenance, a sale in this state of the type of property  
7        repaired, serviced, altered, fitted, cleaned, painted, coated, towed, inspected, or  
8        maintained would have been exempt to the customer from sales taxation under this  
9        subchapter, other than the exempt sale of a motor vehicle or truck body to a  
10       nonresident under s. 77.54 (5) (a) and other than nontaxable sales outside this state  
11       under s. ~~77.51 (14)~~ 77.522. For purposes of this paragraph, the following items shall  
12       be considered to have retained their character as tangible personal property,  
13       regardless of the extent to which any such item is fastened to, connected with, or built  
14       into real property: furnaces, boilers, stoves, ovens, including associated hoods and  
15       exhaust systems, heaters, air conditioners, humidifiers, dehumidifiers,  
16       refrigerators, coolers, freezers, water pumps, water heaters, water conditioners and  
17       softeners, clothes washers, clothes dryers, dishwashers, garbage disposal units,  
18       radios and radio antennas, incinerators, television receivers and antennas, record  
19       players, tape players, jukeboxes, vacuum cleaners, furniture and furnishings,  
20       carpeting and rugs, bathroom fixtures, sinks, awnings, blinds, gas and electric logs,  
21       heat lamps, electronic dust collectors, grills and rotisseries, bar equipment,  
22       intercoms, recreational, sporting, gymnasium and athletic goods and equipment  
23       including by way of illustration but not of limitation bowling alleys, golf practice  
24       equipment, pool tables, punching bags, ski tows, and swimming pools; equipment in  
25       offices, business facilities, schools, and hospitals but not in residential facilities

1 including personal residences, apartments, long-term care facilities, as defined  
2 under s. 16.009 (1) (em), state institutions, as defined under s. 101.123 (1) (i), Type  
3 1 secured correctional facilities, as defined in s. 938.02 (19), or similar facilities  
4 including, by way of illustration but not of limitation, lamps, chandeliers, and fans,  
5 venetian blinds, canvas awnings, office and business machines, ice and milk  
6 dispensers, beverage-making equipment, vending machines, soda fountains, steam  
7 warmers and tables, compressors, condensing units and evaporative condensers,  
8 pneumatic conveying systems; laundry, dry cleaning, and pressing machines, power  
9 tools, burglar alarm and fire alarm fixtures, electric clocks and electric signs.  
10 “Service” does not include services performed by veterinarians. The tax imposed  
11 under this subsection applies to the repair, service, alteration, fitting, cleaning,  
12 painting, coating, towing, inspection, or maintenance of items listed in this  
13 subdivision, regardless of whether the installation or application of tangible  
14 personal property related to the items is an addition to or a capital improvement of  
15 real property, except that the tax imposed under this subsection does not apply to the  
16 original installation or the complete replacement of an item listed in this subdivision,  
17 if such installation or replacement is a real property construction activity under s.  
18 77.51 (2).

19 **SECTION 48.** 77.52 (6) of the statutes is repealed.

20 **SECTION 49.** 77.52 (7) of the statutes is amended to read:

21 77.52 (7) Every person desiring to operate as a seller within this state who  
22 holds a valid certificate under s. 73.03 (50) shall file with the department an  
23 application for a permit for each place of operations. Every application for a permit  
24 shall be made upon a form prescribed by the department and shall set forth the name  
25 under which the applicant intends to operate, the location of the applicant’s place of

1 operations, and the other information that the department requires. The Except as  
2 provided in sub. (7b), the application shall be signed by the owner if a sole proprietor;  
3 in the case of sellers other than sole proprietors, the application shall be signed by  
4 the person authorized to act on behalf of such sellers. A nonprofit organization that  
5 has ~~gross receipts~~ a sales price taxable under s. 77.54 (7m) shall obtain a seller's  
6 permit and pay taxes under this subchapter on all taxable ~~gross receipts~~ sales prices  
7 received after it is required to obtain that permit. If that organization becomes  
8 eligible later for the exemption under s. 77.54 (7m) except for its possession of a  
9 seller's permit, it may surrender that permit.

10 SECTION 50. 77.52 (7b) of the statutes is created to read:

11 77.52 (7b) Any person who may register under sub. (7) ~~may designate a~~  
12 an agent as defined in s. 77.65(?) ~~certified service~~ provider to register with the department under sub. (7), in the  
13 manner prescribed by the department.

14 SECTION 51. 77.52 (13) of the statutes is amended to read:

15 77.52 (13) For the purpose of the proper administration of this section and to  
16 prevent evasion of the sales tax it shall be presumed that all receipts are subject to  
17 the tax until the contrary is established. The burden of proving that a sale of tangible  
18 personal property or services is not a taxable sale at retail is upon the person who  
19 makes the sale unless that person takes from the purchaser a certificate <sup>Whether electronic or paper,</sup> or obtains  
20 from the purchaser any information that is prescribed by rule by department, to the  
21 effect that the property or service is purchased for resale or is otherwise exempt;  
22 except that no certificate is required for sales of cattle, sheep, goats, and pigs that are  
23 sold at a livestock market, as defined in s. 95.68 (1) (c) [s. 95.68 (1) (ag)], and no  
24 certificate is required for sales of commodities, as defined in 7 USC 2, that are  
25 consigned for sale in a warehouse in or from which the commodity is deliverable on

1 a contract for future delivery subject to the rules of a commodity market regulated  
2 by the U.S. commodity futures trading commission if upon the sale the commodity  
3 is not removed from the warehouse the sale of tangible personal property that is  
4 exempt under s. 77.54 (7), (11), (14), (15), (17), (20n), (21), (22b), (30), (32), (42), and  
5 (44). This subsection does not apply to candy, soft drinks, and prepared food; or to  
6 disposable products that are transferred with candy, soft drinks, and prepared food;  
7 that a restaurant provides to the restaurant's employees during the work hours of  
8 the employees.

9 SECTION 52. 77.52 (14) (a) (intro.) and 1. and (b) of the statutes are consolidated,  
10 renumbered 77.52 (14) and amended to read:

11 77.52 (14) The certificate referred to in or information prescribed by rule by the  
12 department under sub. (13) relieves the seller from the burden of proof only if any  
13 of the following is true: 1. The the certificate or information is taken in good faith  
14 from a person who is engaged as a seller of tangible personal property or taxable  
15 services and who holds the permit provided for in sub. (9) and who, at the time of  
16 purchasing that the person purchases the tangible personal property or services,  
17 intends to sell it in the regular course of operations or is unable to ascertain at the  
18 time of purchase whether the property or service will be sold or will be used for some  
19 other purpose. (b). The certificate or information prescribed by rule by the  
20 department under sub. (13) shall not relieve the seller of the burden of proof if the  
21 seller fraudulently fails to collect sales tax or solicits the purchaser to claim an  
22 unlawful exemption. The certificate referred to in sub. (13) shall be signed by and <sup>be signed if a paper certificate</sup>  
23 bear the name and address of provide information that identifies the purchaser, and <sup>AND</sup>  
24 shall indicate the general character of the tangible personal property or service sold

Add back signature requirement for paper cert.

1 by the purchaser and the basis for the claimed exemption. The certificate shall be  
2 in such form as the department prescribes by rule.

3 SECTION 53. 77.52 (14) (a) 2. of the statutes is repealed.

4 SECTION 54. 77.52 (15) of the statutes is amended to read:

5 77.52 (15) If a purchaser who ~~gives a resale certificate~~ purchases tangible  
6 personal property or taxable services without paying a sales tax or use tax on such  
7 purchase because such property or services were for resale makes any use of the  
8 property or services other than retention, demonstration or display while holding it  
9 the property or services for sale, lease or rental in the regular course of the  
10 purchaser's operations, the use shall be taxable to the purchaser under s. 77.53 as  
11 of the time that the property is or services are first used by the purchaser, and the  
12 sales purchase price of the property or services to the purchaser shall be the measure  
13 of the tax. ~~Only when there is an unsatisfied use tax liability on this basis because~~  
14 ~~the seller has provided incorrect information about that transaction to the~~  
15 ~~department shall the seller be liable for sales tax with respect to the sale of the~~  
16 ~~property to the purchaser. This subsection does not apply to the sale of tangible~~  
17 ~~personal property that is exempt under s. 77.54 (7), (11), (14), (15), (17), (20n), (21),~~  
18 ~~(22b), (30), (32), (42), and (44). This subsection does not apply to candy, soft drinks,~~  
19 ~~and prepared food; or to disposable products that are transferred with candy, soft~~  
20 ~~drinks, and prepared food; that a restaurant provides to the restaurant's employees~~  
21 during the work hours of the employees.

22 SECTION 55. 77.522 of the statutes is created to read:

23 77.522 Sourcing. (1) <sup>GENERAL</sup> ~~Sales~~ (a) In this section:

24 1. "Direct mail form" means a form prescribed by the department.

1           2.           "Multiple-points-of-use exemption form" means the  
2 multiple-points-of-use exemption form, as prescribed by the department.

3           3. "Product" includes tangible personal property, digital goods, and services.

4           4. "Receive" means taking possession of tangible personal property; making  
5 first use of services; or taking possession or making first use of digital goods,  
6 whichever comes first. "Receive" does not include a shipping company taking  
7 possession of tangible personal property on a purchaser's behalf.

8           5. "Transportation equipment" means all of the following:

9           a. Locomotives and railcars that are used to carry persons or property in  
10 interstate commerce.

11           b. Trucks and truck tractors that have a gross vehicle weight rating of 10,001  
12 pounds or greater, trailers, semitrailers, and passenger buses, if such vehicles are  
13 registered under the International Registration Plan and operated under the  
14 authority of a carrier that is authorized by the federal government to carry persons  
15 or property in interstate commerce.

16           c. Aircraft that is operated by air carriers that are authorized by the federal  
17 government or a foreign authority to carry persons or property in interstate  
18 commerce.

19           d. Containers that are designed for use on the vehicles described in subd. 5. a.  
20 to c. and component parts attached to or secured on such vehicles.

21           (b) Except as provided in pars. (c) to (e) and subs. (2) and (3), the location of a  
22 sale is determined as follows:

23           1. If a purchaser receives the product at a seller's business location, the sale  
24 occurs at that business location.

1           2. If a purchaser does not receive the product at a seller's business location, the  
2           sale occurs at the location where the purchaser, or the purchaser's designated donee,  
3           receives the product, including the location indicated by the instructions known to  
4           the seller for delivery to the purchaser or the purchaser's designated donee.

5           3. If the location of a sale cannot be determined under subds. 1. and 2., the sale  
6           occurs at the purchaser's address as indicated by the seller's business records, if the  
7           records are maintained in the ordinary course of the seller's business and if using  
8           that address to establish the location of a sale is not in bad faith.

9           4. If the location of a sale cannot be determined under subds. 1. to 3., the sale  
10          occurs at the purchaser's address as obtained during the consummation of the sale,  
11          including the address indicated on the purchaser's payment instrument, if no other  
12          address is available and if using that address is not in bad faith.

13          5. If the location of a sale cannot be determined under subds. 1. to 4., the  
14          location of the sale is determined as follows:

15           a. If the item sold is tangible personal property, the sale occurs at the location  
16           from which the tangible personal property is shipped.

17           b. If the item sold is a digital good, or computer software <sup>e</sup> and such good or  
18           software is delivered electronically, the sale occurs at the location from which the  
19           digital good or computer software was first available for transmission by the seller.

20           c. If a service, other than a digital service, is sold, the sale occurs at the location  
21           from which the service was provided.

22           (c) The sale of direct mail occurs at the location from which the direct mail is  
23           shipped, if the purchaser does not provide to the seller a direct pay permit, a direct  
24           mail form, or other information that indicates the appropriate taxing jurisdiction to  
25           which the direct mail is delivered to the ultimate recipients. If the purchaser

1 provides a direct mail form to the seller, the purchaser shall pay or remit, as  
2 appropriate, to the department the tax imposed under s. 77.53 (1) on all purchases  
3 for which the tax is due and the seller is relieved from liability for collecting such tax.

4 (d) 1. If the service, digital good, or computer software is delivered  
5 electronically, a business purchaser who purchases a service, digital good, or  
6 computer software who does not hold a direct pay permit under s. 77.52 (17m), and  
7 who knows at the time that the purchaser purchases such service, good, or software  
8 that the service, good, or software will be concurrently available for use in more than  
9 one taxing jurisdiction shall provide a multiple-points-of-use exemption form to the  
10 seller, in conjunction with the purchase, and shall pay or remit, as appropriate, to the  
11 department the tax imposed under s. 77.53 (1) on all purchases for which the tax is  
12 due.

13 2. To apportion the amount of the tax due multiple taxing jurisdictions, a  
14 purchaser who provides an exemption form under subd. 1. shall use any reasonable,  
15 consistent, and uniform apportionment method supported by the purchaser's  
16 business records that exist at the time of the sale.

17 3. An exemption form provided under subd. 1. shall remain effective for all sales  
18 by the seller who received the form to the purchaser who provided the form, unless  
19 the purchaser revokes the form in writing and provides such a revocation to the  
20 seller.

21 4. If the service, digital good, or computer software is delivered electronically,  
22 a business purchaser who purchases a service, digital good, or computer software,  
23 who holds a direct pay permit under s. 77.52 (17m), and who knows at the time that  
24 the purchaser purchases such service, good, or software that the service, good, or  
25 software will be concurrently available for use in more than one taxing jurisdiction



1 is not required to provide a multiple-points-of-use exemption form to the seller, but  
2 shall collect, pay, or remit, as appropriate, to the department the tax imposed under  
3 s. 77.53 (1) and shall use the apportionment method described under par. (b) to  
4 apportion the tax due multiple taxing jurisdictions.

5 5. A seller who receives a multiple-points-of-use exemption form under this  
6 paragraph is relieved from liability for collecting the tax imposed under s. 77.53 (1)  
7 on purchases related to the multiple-points-of-use exemption form.

8 ~~(4) WHEN A SALE TAKES PLACE~~  
~~(4)~~ A sale or purchase involving transfer of ownership of property is completed  
9 at the time when possession is transferred by the seller or the seller's agent to the  
10 purchaser or the purchaser's agent, except that for purposes of this subsection a  
11 common carrier or the U.S. postal service shall be deemed the agent of the seller,  
12 regardless of any f.o.b. point and regardless of the method by which freight or postage  
13 is paid.

14 (2) LEASE OR RENTAL. (a) Except as provided in pars. (b) and (c), with regards  
15 to the first or only payment on the lease or rental, the lease or rental of tangible  
16 personal property occurs at the location determined under sub. (1) (b) 1. If the  
17 property is moved from the place where the property was initially delivered, the  
18 subsequent periodic payments on the lease or rental occur at the property's primary  
19 location as indicated by an address for the property that is provided by the lessee and  
20 that is available to the lessor in records that the lessor maintains in the ordinary  
21 course of the lessor's business, if the use of such an address does not constitute bad  
22 faith. The location of a lease or rental as determined under this paragraph shall not  
23 be altered by any intermittent use of the property at different locations.

24 (b) The lease or rental of motor vehicles, semitrailers, and aircraft, that are not  
25 transportation equipment, occurs at the primary location of such motor vehicles,

1 semitrailers, or aircraft as indicated by an address for the property that is provided  
2 by the lessee and that is available to the lessor in records that the lessor maintains  
3 in the ordinary course of the lessor's business, if the use of such an address does not  
4 constitute bad faith. The location of a lease or rental as determined under this  
5 paragraph shall not be altered by any intermittent use of the property at different  
6 locations.

7 (c) The lease or rental of transportation equipment occurs at the location  
8 determined under sub. (1) (b) 1.

9 (3) TELECOMMUNICATIONS. (a) In this subsection:

10 1. "Air-to-ground radiotelephone service" means a radio service in which  
11 common carriers are authorized to offer and provide radio telecommunications  
12 service for hire to subscribers in aircraft.

13 2. "Call-by-call basis" means any method of charging for telecommunications  
14 services by which the price of such services is measured by individual calls.

15 3. "Customer channel termination point" means the location <sup>where</sup> ~~from which~~ a  
16 customer inputs or receives communications.

17 4. "Communications channel" means a physical or virtual path of  
18 communications over which signals are transmitted between or among customer  
19 channel termination points.

20 5. "Customer" means a person who enters into a contract with a seller of  
21 telecommunications services, ~~or, if the end user is not the~~  
22 ~~person who entered into a contract with the seller of telecommunications services,~~  
23 the end user of the telecommunications services. "Customer" does not include a

24 person who resells telecommunications services, <sup>or, for mobile telecom services,</sup>  
25 <sup>a serving carrier under an agreement to serve the customer outside</sup>

6. "End user" means ~~an individual~~ <sup>the person</sup> who uses a telecommunications service ~~the home~~

Service provided  
licensed service  
area

> "home service provider" means a home service provider under  
§ 106-252 of Public Law 106-252

1 7. "Mobile telecommunications service" means a mobile telecommunications  
2 service under 4 USC 116 to 126, as amended by P.L. 106-252.

3 8. "Place of primary use" means place of primary use, as determined under 4  
4 USC 116 to 126, as amended by P.L. 106-252.

5 9. "Postpaid calling service" means a telecommunications service that is  
6 obtained by paying for it on a call-by-call basis using a bankcard, travel card, credit  
7 card, debit card, or similar method, or by charging it to a telephone number that is  
8 not associated with the location where the telecommunications service originates or  
9 terminates. "Postpaid calling service" includes a service that would otherwise be a  
10 prepaid calling service except that the service provided to the customer is not  
11 exclusively a telecommunications service.

Joe, 12  
#s are only  
FYI to 13  
show  
breaks 14

10. "Prepaid calling service" means the right <sup>(1)</sup> to access services that are  
13 exclusively telecommunications services <sup>(2)</sup> that <sup>is</sup> are paid for in advance of providing  
14 such services <sup>(3)</sup> that require using an access number or authorization code to originate  
15 calls; and that <sup>(4)</sup> are <sup>is</sup> sold in predetermined units or dollars that decrease with use in  
16 a known amount.

\*\*\*\*NOTE: The last sentence refers to "units or dollars that decrease with use in a  
known amount." Known by whom? Probably the service provider or customer -  
do we have to state whom?

17 11. "Private communication service" means a telecommunications service that  
18 entitles the customer to exclusive or priority use of a communications channel or  
19 group of communications channels between or among termination points, regardless  
20 of the manner in which the communications channel or group of communications  
21 channels is connected, and includes switching capacity, extension lines, stations, and  
22 other associated services that are provided in connection with the use of such channel  
23 or channels.

1 12. "Radio service" means a communication service provided by the use of radio,  
2 including radiotelephone, radiotelegraph, paging, and facsimile service.

3 13. "Radiotelegraph service" means transmitting messages from one place to  
4 another by means of radio.

5 14. "Radiotelephone service" means transmitting sound from one place to  
6 another by means of radio.

7 15. "Service address" means any of the following:

8 a. The location of the telecommunications equipment to which a customer's <sup>telecommunications</sup> ~~call~~ service  
9 is charged and from which the <sup>telecom service</sup> ~~call~~ originates or terminates, regardless of where the  
10 <sup>telecom service</sup> ~~call~~ is billed or paid.

11 b. If the location described under subd. 15. a. <sup>is not known by the seller</sup> ~~cannot be determined~~, the location  
12 where the signal of the telecommunications service originates, as identified by the  
13 seller's telecommunications system or, if the signal is not transmitted <sup>by</sup> ~~from~~ the  
14 seller's telecommunications system, by information that the seller received from the  
15 seller's service provider.

16 c. If the location described under subd. 15. a. and b. <sup>is not known by the seller</sup> ~~cannot be determined~~, the  
17 customer's place of primary use.

18 (b) Except as provided in pars. (d) to (g), the sale of a telecommunications  
19 service that is sold on a call-by-call basis occurs in the taxing jurisdiction for sales  
20 and use tax purposes where the call originates and terminates, in the case of a call  
21 that originates and terminates in the same such jurisdiction, or the taxing  
22 jurisdiction for sales and use tax purposes where the call originates or terminates  
23 and where the service address is located.

Repealed and reinserted 77.51(17m) as this

1 (c) Except as provided in pars. (d) to (g), the sale of a telecommunications  
2 service that is sold on a basis other than a call-by-call basis occurs at the customer's  
3 place of primary use.

4 (d) The sale of a mobile telecommunications service, except an air-to-ground  
5 radiotelephone service and a prepaid calling service, occurs at the customer's place  
6 of primary use.

7 (e) The sale of a postpaid calling service occurs at the location where the signal  
8 of the telecommunications service originates, as first identified by the seller's  
9 telecommunications system or, if the signal is not transmitted <sup>by</sup> ~~from~~ the seller's X  
10 telecommunications system, by information that the seller received from the seller's  
11 service provider.

12 (f) The sale of a prepaid calling service occurs at the location determined under  
13 sub. (1) (b) 1. <sup>-5 that</sup> or, if the service is a mobile telecommunications service, <sup>and</sup> the location

X  
See prior  
draft to  
Joe ~~associated with the mobile telephone number, if the location cannot be determined~~  
15 under sub. (1) (b) 1. to 4, <sup>the prepaid calling service occurs at the location</sup>

16 (g) 1. The sale of a private communication service for a separate charge related <sup>under (1)(b) 5 or the location associated with the mobile</sup> ~~telepho~~  
17 to a customer channel termination point occurs at the location of the customer  
18 channel termination point. number

19 2. The sale of a private communication service in which all customer channel  
20 termination points are located entirely in one taxing jurisdiction for sales and use  
21 tax purposes occurs in the taxing jurisdiction in which the customer channel  
22 termination points are located.

23 3. If the segments are charged separately, the sale of a private communication  
24 service that represents segments of a communications channel between 2 customer

1 channel termination points that are located in different taxing jurisdictions for sales  
2 and use tax purposes occurs in an equal percentage in both such jurisdictions.

3 4. If the segments are not charged separately, the sale of a private  
4 communication service for segments of a communications channel that is located in  
5 more than one taxing jurisdiction for sales and use tax purposes occurs in each such  
6 jurisdiction in a percentage determined by dividing the number of customer channel  
7 termination points in that jurisdiction by the number of customer channel  
8 termination points in all jurisdictions where segments of the communications  
9 channel are located.

10 SECTION 56. 77.523 (title) of the statutes is repealed.

11 SECTION 57. 77.523 of the statutes is renumbered 77.59 (9p) (a) and amended  
12 to read:

13 77.59 (9p) (a) If a customer purchases a service that is subject to 4 USC 116  
14 to 126, as amended by P.L. 106-252, and if the customer believes that the amount  
15 of the tax assessed for the service under this subchapter or the place of primary use  
16 or taxing jurisdiction assigned to the service is erroneous, the customer may request  
17 that the service provider correct the alleged error by sending a written notice to the  
18 service provider. The notice shall include a description of the alleged error, the street  
19 address for the customer's place of primary use of the service, the account name and  
20 number of the service for which the customer seeks a correction, and any other  
21 information that the service provider reasonably requires to process the request.  
22 Within 60 days from the date that a service provider receives a request under this  
23 section paragraph, the service provider shall review its records to determine the  
24 customer's taxing jurisdiction. If the review indicates that there is no error as  
25 alleged, the service provider shall explain the findings of the review in writing to the

1 customer. If the review indicates that there is an error as alleged, the service  
2 provider shall correct the error and shall refund or credit the amount of any tax  
3 collected erroneously, along with the related interest, as a result of the error from the  
4 customer in the previous 48 months, consistent with s. 77.59 (4). A customer may  
5 take no other action, or commence any action, to correct an alleged error in the  
6 amount of the tax assessed under this subchapter on a service that is subject to 4 USC  
7 116 to 126, as amended by P.L. 106-252, or to correct an alleged error in the assigned  
8 place of primary use or taxing jurisdiction, unless the customer has exhausted his  
9 or her remedies under this section paragraph.

10 SECTION 58. 77.524 (1) (b) of the statutes is renumbered 77.51 (1g).

11 SECTION 59. 77.53 (1) of the statutes is amended to read:

12 77.53 (1) Except as provided in sub. (1m), an excise tax is levied and imposed  
13 on the use or consumption in this state of coins, stamps, leased property, and taxable  
14 services under s. 77.52 purchased from any retailer, at the rate of 5% of the sales  
15 purchase price of those such coins, stamps, leased property, and services; on the  
16 storage, use or other consumption in this state of tangible personal property  
17 purchased from any retailer, at the rate of 5% of the sales purchase price of that  
18 property; and on the storage, use or other consumption of tangible personal property  
19 manufactured, processed or otherwise altered, in or outside this state, by the person  
20 who stores, uses or consumes it, from material purchased from any retailer, at the  
21 rate of 5% of the sales purchase price of that material.

22 *Amend 77.53(3) to remove "for delivery into" and replace with "in"*  
SECTION 60. 77.53 (4) of the statutes is repealed.

23 SECTION 61. 77.53 (9) of the statutes is amended to read:

24 77.53 (9) Every retailer selling tangible personal property or taxable services  
25 for storage, use or other consumption in this state shall register with the department

1 and obtain a certificate under s. 73.03 (50) and give the name and address of all  
 2 agents operating in this state, the location of all distribution or sales houses or offices  
 3 or other places of business in this state, the standard industrial code classification  
 4 of each place of business in this state and the other information that the department  
 5 requires. Any person who may register under this subsection may designate ~~a~~  
 6 an agent as defined under 77.65(?)  
 7 certified service provider to register with the department under this subsection, in  
 8 the manner prescribed by the department.

8 SECTION 62. 77.53 (9m) of the statutes is amended to read:

9 77.53 (9m) <sup>(a)</sup> Any person who is not otherwise required to collect any tax imposed  
 10 by this subchapter and who makes sales to persons within this state of tangible  
 11 personal property or taxable services the use of which is subject to tax under this  
 12 subchapter may register with the department under the terms and conditions that  
 13 the department imposes and shall obtain a valid certificate under s. 73.03 (50) and  
 14 thereby be authorized and required to collect, report and remit to the department the  
 15 use tax imposed by this subchapter. <sup>(b)</sup> Any person who may register under <sup>per (a)</sup> this  
 16 subsection may designate <sup>an agent as defined under 77.65(?)</sup> a certified service provider to register with the department  
 17 under this subsection, in the manner prescribed by the department.

18 SECTION 63. 77.53 (10) of the statutes is amended to read:

19 77.53 (10) For the purpose of the proper administration of this section and to  
 20 prevent evasion of the use tax and the duty to collect the use tax, it is presumed that  
 21 tangible personal property or taxable services sold by any person for delivery in this  
 22 state is sold for storage, use, or other consumption in this state until the contrary is  
 23 established. The burden of proving the contrary is upon the person who makes the  
 24 sale unless that person takes from the purchaser a certificate <sup>whether electronic or paper</sup> or obtains from the  
 25 purchaser any information that is prescribed by rule by department, to the effect that

(c) Registration under par (a) by a person not otherwise  
to collect any tax imposed by this subchapter shall not  
be used as a factor in determining whether the seller  
has nexus with this State for any tax at any time.



1 the property or taxable service is purchased for resale, or otherwise exempt from the  
 2 tax, except that no certificate is required for sales of cattle, sheep, goats, and pigs  
 3 that are sold at a livestock market, as defined in s. 95.68 (1) (e), and no certificate is  
 4 required for sales of commodities, as defined in 7 USC 2, that are consigned for sale  
 5 in a warehouse in or from which the commodity is deliverable on a contract for future  
 6 delivery subject to the rules of a commodity market regulated by the U.S. commodity  
 7 futures trading commission if upon the sale the commodity is not removed from the  
 8 warehouse the sale of tangible personal property that is exempt under s. 77.54 (7),  
 9 (11), (14), (15), (17), (20n), (21), (22b), (30), (32), (42), and (44). This subsection does  
 10 not apply to candy, soft drinks, and prepared food; or to disposable products that are  
 11 transferred with candy, soft drinks, and prepared food; that a restaurant provides to  
 12 the restaurant's employees during the work hours of the employees.

13 SECTION 64. 77.53 (11) of the statutes is amended to read:

14 77.53 (11) The certificate referred to in or information prescribed by rule by the  
 15 department under sub. (10) relieves the person selling the property or service from  
 16 the burden of proof only if taken in good faith from a person who is engaged as a seller  
 17 of tangible personal property or taxable services and who holds the permit provided  
 18 for by s. 77.52 (9) and who, at the time of purchasing that the person purchases the  
 19 tangible personal property or taxable service, intends to sell it in the regular course  
 20 of operations or is unable to ascertain at the time of purchase whether the property  
 21 or service will be sold or will be used for some other purpose, or if taken in good faith  
 22 from a person claiming exemption. The certificate or information prescribed by rule  
 23 by the department under sub. (10) shall not relieve the seller of the burden of proof  
 24 if the seller fraudulently fails to collect sales tax or solicit the purchaser to claim an  
 25 unlawful exemption. The certificate shall be signed if a paper certificate and and bear the name and

Put back signature requirement for paper cert.

(30) e  
insert

1 ~~address of provide information that identifies~~ the purchaser and shall indicate the  
2 ~~number of the permit issued to the purchaser, the general character of tangible~~  
3 ~~personal property or taxable service sold by the purchaser and the basis for the~~  
4 claimed exemption. The certificate shall be substantially in the form that the  
5 department prescribes.

6 SECTION 65. 77.53 (16) of the statutes is amended to read:

7 77.53 (16) If the purchase, rental or lease of tangible personal property or  
8 service subject to the tax imposed by this section was subject to a sales tax by another  
9 state in which the purchase was made, the amount of sales tax paid the other state  
10 shall be applied as a credit against and deducted from the tax, to the extent thereof,  
11 imposed by this section, except no credit may be applied against and deducted from  
12 a sales tax paid on the purchase of direct mail, if the direct mail purchaser did not  
13 provide to the seller a direct pay permit, a direct mail form, or other information that  
14 indicates the appropriate taxing jurisdiction to which the direct mail is delivered to  
15 the ultimate recipients. In this subsection "sales tax" includes a use or excise tax  
16 imposed on the use of tangible personal property or taxable service by the state in  
17 which the sale occurred and "state" includes the District of Columbia but does not  
18 include the commonwealth of Puerto Rico or the several territories organized by  
19 congress.

20 SECTION 66. 77.53 (17) of the statutes is amended to read:

21 77.53 (17) This section does not apply to tangible personal property purchased  
22 outside this state, as determined under s. 77.522, other than motor vehicles, boats,  
23 snowmobiles, mobile homes not exceeding 45 feet in length, trailers, semitrailers,  
24 all-terrain vehicles and airplanes registered or titled or required to be registered or  
25 titled in this state, which is brought into this state by a nondomiciliary for the

1 person's own storage, use or other consumption while temporarily within this state  
2 when such property is not stored, used or otherwise consumed in this state in the  
3 conduct of a trade, occupation, business or profession or in the performance of  
4 personal services for wages or fees.

5 SECTION 67. 77.53 (17m) of the statutes is amended to read:

6 77.53 (17m) This section does not apply to a boat purchased in a state  
7 contiguous to this state, as determined under s. 77.522, by a person domiciled in that  
8 state if the boat is berthed in this state's boundary waters adjacent to the state of the  
9 domicile of the purchaser and if the transaction was an exempt occasional sale under  
10 the laws of the state in which the purchase was made.

11 SECTION 68. 77.53 (17r) (a) of the statutes is amended to read:

12 77.53 (17r) (a) It is purchased in another state, as determined under s. 77.522.

13 SECTION 69. 77.53 (18) of the statutes is amended to read:

14 77.53 (18) This section does not apply to the storage, use or other consumption  
15 in this state of household goods for personal use or to aircraft, motor vehicles, boats,  
16 snowmobiles, mobile homes, trailers, semitrailers and all-terrain vehicles, for  
17 personal use, purchased by a nondomiciliary of this state outside this state, as  
18 determined under s. 77.522, 90 days or more before bringing the goods or property  
19 into this state in connection with a change of domicile to this state.

20 SECTION 70. 77.54 (1) of the statutes is amended to read:

21 77.54 (1) The ~~gross receipts~~ sales price from the sale of and the storage, use or  
22 other consumption in this state of tangible personal property and services the ~~gross~~  
23 ~~receipts~~ sales price from the sale of which, or the storage, use or other consumption  
24 of which, this state is prohibited from taxing under the constitution or laws of the  
25 United States or under the constitution of this state.

1       **SECTION 71.** 77.54 (2) of the statutes is amended to read:

2       77.54 (2) The ~~gross receipts~~ sales price from sales of and the storage, use or  
3 other consumption of tangible personal property becoming an ingredient or  
4 component part of an article of tangible personal property or which is consumed or  
5 destroyed or loses its identity in the manufacture of tangible personal property in  
6 any form destined for sale, but this exemption shall not include fuel or electricity.

7       **SECTION 72.** 77.54 (2m) of the statutes is amended to read:

8       77.54 (2m) The ~~gross receipts~~ sales price from the sales of and the storage, use  
9 or other consumption of tangible personal property or services that become an  
10 ingredient or component of shoppers guides, newspapers or periodicals or that are  
11 consumed or lose their identity in the manufacture of shoppers guides, newspapers  
12 or periodicals, whether or not the shoppers guides, newspapers or periodicals are  
13 transferred without charge to the recipient. In this subsection, "shoppers guides",  
14 "newspapers" and "periodicals" have the meanings under sub. (15). The exemption  
15 under this subdivision does not apply to advertising supplements that are not  
16 newspapers.

17       **SECTION 73.** 77.54 (3) (a) of the statutes is amended to read:

18       77.54 (3) (a) The ~~gross receipts~~ sales price from the sales of and the storage, use  
19 or other consumption of tractors and machines, including accessories, attachments  
20 and parts therefor, used exclusively and directly in the business of farming, including  
21 dairy farming, agriculture, horticulture, floriculture and custom farming services,  
22 but excluding automobiles, trucks, and other motor vehicles for highway use;  
23 excluding personal property that is attached to, fastened to, connected to or built into  
24 real property or that becomes an addition to, component of or capital improvement  
25 of real property and excluding tangible personal property used or consumed in the

1 erection of buildings or in the alteration, repair or improvement of real property,  
2 regardless of any contribution that ~~that~~<sup>the</sup> personal property makes to the production  
3 process in that building or real property and regardless of the extent to which that  
4 personal property functions as a machine.

5 SECTION 74. 77.54 (3m) (intro.) of the statutes is amended to read:

6 77.54 (3m) (intro.) The ~~gross receipts~~ sales price from the sale of and the  
7 storage, use or other consumption of the following items if they are used exclusively  
8 by the purchaser or user in the business of farming; including dairy farming,  
9 agriculture, horticulture, floriculture and custom farming services:

10 SECTION 75. 77.54 (4) of the statutes is amended to read:

11 77.54 (4) ~~Gross receipts~~ The sales price from the sale of tangible personal  
12 property, and the storage, use or other consumption in this state of tangible personal  
13 property which is the subject of any such sale, by any elementary school or secondary  
14 school, exempted as such from payment of income or franchise tax under ch. 71,  
15 whether public or private.

16 SECTION 76. 77.54 (5) (intro.) of the statutes is amended to read:

17 77.54 (5) (intro.) The ~~gross receipts~~ sales price from the sale of and the storage,  
18 use or other consumption of:

19 SECTION 77. 77.54 (6) (intro.) of the statutes is amended to read:

20 77.54 (6) (intro.) The ~~gross receipts~~ sales price from the sale of and the storage,  
21 use or other consumption of:

22 SECTION 78. 77.54 (8) of the statutes is amended to read:

23 77.54 (8) Charges for ~~interest, financing or~~ insurance where such charges are  
24 separately set forth upon the invoice given by the seller to the purchaser.

25 SECTION 79. 77.54 (9) of the statutes is amended to read:

1        77.54 (9) The ~~gross receipts~~ sales price from sales of tickets or admissions to  
2        public and private elementary and secondary school activities, where the entire net  
3        proceeds therefrom are expended for educational, religious or charitable purposes.

4        SECTION 80. 77.54 (9a) (intro.) of the statutes is amended to read:

5        77.54 (9a) (intro.) The ~~gross receipts~~ sales price from sales to, and the storage  
6        by, use by or other consumption of tangible personal property and taxable services  
7        by:

8        SECTION 81. 77.54 (10) of the statutes is amended to read:

9        77.54 (10) The ~~gross receipts~~ sales price from the sale of all admission fees,  
10       admission stickers or camping fees under s. 27.01 (7) to (11) and all admission fees  
11       to any museum operated by a nonprofit corporation under a lease agreement with  
12       the state historical society.

13       SECTION 82. 77.54 (11) of the statutes is amended to read:

14       77.54 (11) The ~~gross receipts~~ sales price from the sales of and the storage, use  
15       or other consumption in this state of motor vehicle fuel, general aviation fuel or  
16       alternate fuel, subject to taxation under ch. 78, unless the motor vehicle fuel or  
17       alternate fuel tax is refunded under s. 78.75 because the buyer does not use the fuel  
18       in operating a motor vehicle upon the public highways.

19       SECTION 83. 77.54 (12) of the statutes is amended to read:

20       77.54 (12) The ~~gross receipts~~ sales price from the sales of and the storage, use  
21       or other consumption in this state of rail freight or passenger cars, locomotives or  
22       other rolling stock used in railroad operations, or accessories, attachments, parts,  
23       lubricants or fuel therefor.

24       SECTION 84. 77.54 (13) of the statutes is amended to read:

1        77.54 (13) The ~~gross receipts~~ sales price from the sales of and the storage, use  
2        or other consumption in this state of commercial vessels and barges of 50-ton burden  
3        or over primarily engaged in interstate or foreign commerce or commercial fishing,  
4        and the accessories, attachments, parts and fuel therefor.

5        SECTION 85. 77.54 (14) (intro.) of the statutes is amended to read:

6        77.54 (14) (intro.) The gross receipts from the sales of and the storage, use, or  
7        other consumption in this state of ~~medicines~~ drugs that are any of the following:

8        SECTION 86. 77.54 (14) (a) of the statutes is amended to read:

9        77.54 (14) (a) Prescribed for the treatment of a human being by a person  
10       authorized to prescribe the ~~medicines~~ drugs, and dispensed on prescription filled by  
11       a registered pharmacist in accordance with law.

12       SECTION 87. 77.54 (14) (b) of the statutes is amended to read:

13       77.54 (14) (b) Furnished by a licensed physician, surgeon, podiatrist, or dentist  
14       to a patient who is a human being for treatment of the patient.

15       SECTION 88. 77.54 (14) (f) of the statutes is amended to read:

16       77.54 (14) (f) Furnished without charge to a physician, surgeon, nurse  
17       anesthetist, advanced practice nurse, osteopath, dentist who is licensed under ch.  
18       447, podiatrist who is licensed under ch. 448, or optometrist who is licensed under  
19       ch. 449 if the ~~medicine~~ drug may not be dispensed without a prescription.

20       SECTION 89. 77.54 (14g) of the statutes is repealed.

21       SECTION 90. 77.54 (14s) of the statutes is repealed.

22       SECTION 91. 77.54 (15) of the statutes is amended to read:

23       77.54 (15) The ~~gross receipts~~ sales price from the sale of and the storage, use  
24       or other consumption of all newspapers, of periodicals sold by subscription and  
25       and similar devices  
regularly issued at average intervals not exceeding 3 months, or issued at average

77.54(14b) The gross receipts from the sales of and the storage use or  
consumption of bandages, dressings, syringes bundled with drugs ~~exempt~~  
under s. 77.54(14), ~~for sale~~ by the seller as a single product or piece of  
merchandise

1 intervals not exceeding 6 months by an educational association or corporation sales  
2 to which are exempt under sub. (9a) (f), of controlled circulation publications sold to  
3 commercial publishers for distribution without charge or mainly without charge or  
4 regularly distributed by or on behalf of publishers without charge or mainly without  
5 charge to the recipient and of shoppers guides which distribute no less than 48 issues  
6 in a 12-month period. In this subsection, "shoppers guide" means a community  
7 publication delivered, or attempted to be delivered, to most of the households in its  
8 coverage area without a required subscription fee, which advertises a broad range  
9 of products and services offered by several types of businesses and individuals. In  
10 this subsection, "controlled circulation publication" means a publication that has at  
11 least 24 pages, is issued at regular intervals not exceeding 3 months, that devotes  
12 not more than 75% of its pages to advertising and that is not conducted as an  
13 auxiliary to, and essentially for the advancement of, the main business or calling of  
14 the person that owns and controls it.

15 SECTION 92. 77.54 (16) of the statutes is amended to read:

16 77.54 (16) The ~~gross receipts~~ sales price from the sale of and the storage, use  
17 or other consumption of fire trucks and fire fighting equipment, including  
18 accessories, attachments, parts and supplies therefor, sold to volunteer fire  
19 departments.

20 SECTION 93. 77.54 (17) of the statutes is amended to read:

21 77.54 (17) The ~~gross receipts~~ sales price from the sales of and the storage, use  
22 or other consumption of water when delivered through mains.

23 SECTION 94. 77.54 (18) of the statutes is amended to read:

24 77.54 (18) When the sale, lease or rental of a service or property that was  
25 previously exempt or not taxable under this subchapter becomes taxable, and the



1 service or property is furnished under a written contract by which the seller is  
2 unconditionally obligated to provide the service or property for the amount fixed  
3 under the contract, the seller is exempt from sales or use tax on the ~~gross receipts~~  
4 sales price for services or property provided until the contract is terminated,  
5 extended, renewed or modified. However, from the time the service or property  
6 becomes taxable until the contract is terminated, extended, renewed or modified the  
7 user is subject to use tax, measured by the sales purchase price, on the service or  
8 property purchased under the contract.

9 SECTION 95. 77.54 (20) of the statutes is repealed.

10 SECTION 96. 77.54 (20m) of the statutes is repealed.

11 SECTION 97. 77.54 (20n) of the statutes is created to read:

12 77.54 (20n) (a) The sales price from the sale of and the storage, use, or other  
13 consumption of food and food ingredients, except candy, soft drinks, dietary  
14 supplements, and prepared food.

15 (b) The sales price from the sale of and the storage, use, or other consumption  
X 16 of ~~food and food ingredients, except soft drinks,~~  
~~prepared food~~ sold by hospitals, sanatoriums, nursing homes, retirement homes,  
17 community-based residential facilities, as defined in s. 50.01 (1g), or day care centers  
18 registered under ch. 48, including prepared food that is sold to the elderly or  
19 handicapped by persons providing mobile meals on wheels. In this paragraph,  
20 "retirement home" means a nonprofit residential facility where 3 or more unrelated  
21 adults or their spouses have their principal residence and where support services,  
22 including meals from a common kitchen, are available to residents.

23 (c) The sales price from the sale of and the storage, use, or other consumption  
24 of food and food ingredients, furnished in accordance with any contract or agreement  
25 or paid for to such institution through the use of an account of such institution, by

1 a public or private institution of higher education to an undergraduate student, a  
2 graduate student, or a student enrolled in a professional school if the student is  
3 enrolled for credit at that institution and if the food and food ingredients are  
4 consumed by that student.

5 (d) The sales price from the sale of and the storage, use, or other consumption  
6 of food and food ingredients furnished to a national football league team under a  
7 contract or agreement.

8 SECTION 98. 77.54 (21) of the statutes is amended to read:

9 77.54 (21) The ~~gross receipts~~ sales price from the sales of and the storage, use  
10 or other consumption of caskets and burial vaults for human remains.

11 SECTION 99. 77.54 (22) of the statutes is repealed.

12 SECTION 100. 77.54 (22b) of the statutes is created to read:

13 77.54 (22b) The sales price from the sale of and the storage, use, or other  
14 consumption of durable medical equipment, mobility-enhancing equipment, and  
15 prosthetic devices.

16 SECTION 101. 77.54 (23m) of the statutes is amended to read:

17 77.54 (23m) The ~~gross receipts~~ sales price from the sale, lease or rental of or  
18 the storage, use or other consumption of motion picture film or tape, and advertising  
19 materials related thereto, sold, leased or rented to a motion picture theater or radio  
20 or television station.

21 SECTION 102. 77.54 (25) of the statutes is amended to read:

22 77.54 (25) The ~~gross receipts~~ sales price from the sale of and the storage of  
23 printed material which is designed to advertise and promote the sale of merchandise,  
24 or to advertise the services of individual business firms, which printed material is

1 purchased and stored for the purpose of subsequently transporting it outside the  
2 state by the purchaser for use thereafter solely outside the state.

3 **SECTION 103.** 77.54 (26) of the statutes is amended to read:

4 77.54 (26) The ~~gross receipts~~ sales price from the sales of and the storage, use,  
5 or other consumption of tangible personal property which becomes a component part  
6 of an industrial waste treatment facility that is exempt under s. 70.11 (21) (a) or that  
7 would be exempt under s. 70.11 (21) (a) if the property were taxable under ch. 70, or  
8 tangible personal property which becomes a component part of a waste treatment  
9 facility of this state or any agency thereof, or any political subdivision of the state or  
10 agency thereof as provided in s. 40.02 (28). The exemption includes replacement  
11 parts therefor, and also applies to chemicals and supplies used or consumed in  
12 operating a waste treatment facility and to purchases of tangible personal property  
13 made by construction contractors who transfer such property to their customers in  
14 fulfillment of a real property construction activity. This exemption does not apply  
15 to tangible personal property installed in fulfillment of a written construction  
16 contract entered into, or a formal written bid made, prior to July 31, 1975.

17 **SECTION 104.** 77.54 (26m) of the statutes is amended to read:

18 77.54 (26m) The ~~gross receipts~~ sales price from the sale of and the storage, use  
19 or other consumption of waste reduction or recycling machinery and equipment,  
20 including parts therefor, exclusively and directly used for waste reduction or  
21 recycling activities which reduce the amount of solid waste generated, reuse solid  
22 waste, recycle solid waste, compost solid waste or recover energy from solid waste.  
23 The exemption applies even though an economically useful end product results from  
24 the use of the machinery and equipment. For the purposes of this subsection, "solid  
25 waste" means garbage, refuse, sludge or other materials or articles, whether these

1 materials or articles are discarded or purchased, including solid, semisolid, liquid or  
2 contained gaseous materials or articles resulting from industrial, commercial,  
3 mining or agricultural operations or from domestic use or from public service  
4 activities.

5 **SECTION 105.** 77.54 (27) of the statutes is amended to read:

6 **77.54 (27)** The ~~gross receipts~~ sales price from the sale of semen used for  
7 artificial insemination of livestock.

8 **SECTION 106.** 77.54 (28) of the statutes is repealed.

9 **SECTION 107.** 77.54 (29) of the statutes is amended to read:

10 **77.54 (29)** The ~~gross receipts~~ sales price from the sales of and the storage, use  
11 or other consumption of equipment used in the production of maple syrup.

12 **SECTION 108.** 77.54 (30) (a) (intro.) of the statutes is amended to read:

13 **77.54 (30) (a) (intro.)** The ~~gross receipts~~ sales price from the sale of:

14 **SECTION 109.** 77.54 (30) (c) of the statutes is amended to read:

15 **77.54 (30) (c)** If fuel or electricity is sold partly for a use exempt under this  
16 subsection and partly for a use which is not exempt under this subsection, no tax  
17 shall be collected on that percentage of the ~~gross receipts~~ sales price equal to the  
18 percentage of the fuel or electricity which is used for an exempt use, as specified in  
19 an exemption certificate provided by the purchaser to the seller.

20 **SECTION 110.** 77.54 (31) of the statutes is amended to read:

21 **77.54 (31)** The ~~gross receipts~~ sales price from the sale of and the storage, use  
22 or other consumption in this state, but not the lease or rental, of used mobile homes  
23 that are primary housing units under s. 340.01 (29).

24 **SECTION 111.** 77.54 (32) of the statutes is amended to read:

1        77.54 (32) The ~~gross receipts~~ sales price from charges, including charges for a  
2        search, imposed by an authority, as defined in s. 19.32 (1), for copies of a public record  
3        that a person may examine and use under s. 16.61 (12) or for copies of a record under  
4        s. 19.35 (1).

5        SECTION 112. 77.54 (33) of the statutes is amended to read:

6        77.54 (33) The ~~gross receipts~~ sales price from sales of and the storage, use or  
7        other consumption of ~~medicines~~ drugs used on farm livestock, not including  
8        workstock.

9        SECTION 113. 77.54 (34) of the statutes is amended to read:

10       77.54 (34) The ~~gross receipts~~ sales price from the sale of and the storage, use  
11       or other consumption of milk house supplies used exclusively in producing and  
12       handling milk on dairy farms.

13       SECTION 114. 77.54 (35) of the statutes is amended to read:

14       77.54 (35) The ~~gross receipts~~ sales price from the sales of tangible personal  
15       property, tickets or admissions by any baseball team affiliated with the Wisconsin  
16       Department of American Legion baseball.

17       SECTION 115. 77.54 (36) of the statutes is amended to read:

18       77.54 (36) The ~~gross receipts~~ sales price from the rental for a continuous period  
19       of one month or more of a mobile home, as defined in s. 66.0435 (1) (d), that is used  
20       as a residence. In this subsection, "one month" means a calendar month or 30 days,  
21       whichever is less, counting the first day of the rental and not counting the last day  
22       of the rental.

23       SECTION 116. 77.54 (37) of the statutes is amended to read:

24       77.54 (37) The ~~gross receipts~~ sales price from revenues collected under s.  
25       146.70 (3).

1           **SECTION 117.** 77.54 (38) of the statutes is amended to read:

2           **77.54 (38)** The ~~gross receipts~~ sales price from the sale of and the storage, use  
3 or other consumption of snowmobile trail groomers and attachments for them that  
4 are purchased, stored, used or consumed by a snowmobile club that meets at least  
5 3 times a year, that has at least 10 members, that promotes snowmobiling and that  
6 participates in the department of natural resources' snowmobile program under s.  
7 350.12 (4) (b).

8           **SECTION 118.** 77.54 (39) of the statutes is amended to read:

9           **77.54 (39)** The ~~gross receipts~~ sales price from the sale of and the storage, use  
10 or other consumption of off-highway, heavy mechanical equipment such as feller  
11 bunchers, slashers, delimbers, chippers, hydraulic loaders, loaders,  
12 skidder-forwarders, skidders, timber wagons and tractors used exclusively and  
13 directly in the harvesting or processing of raw timber products in the field by a person  
14 in the logging business. In this subsection, "heavy mechanical equipment" does not  
15 include hand tools such as axes, chains, chain saws and wedges.

16           **SECTION 119.** 77.54 (40) of the statutes is repealed.

17           **SECTION 120.** 77.54 (41) of the statutes is amended to read:

18           **77.54 (41)** The ~~gross receipts~~ sales price from the sale of building materials,  
19 supplies and equipment to; and the storage, use or other consumption of those kinds  
20 of property by; owners, contractors, subcontractors or builders if that property is  
21 acquired solely for or used solely in, the construction, renovation or development of  
22 property that would be exempt under s. 70.11 (36).

23           **SECTION 121.** 77.54 (42) of the statutes is amended to read:

1       77.54 (42) The ~~gross receipts~~ sales price from the sale of and the storage, use  
2       or other consumption of animal identification tags provided under s. 93.06 (1h) and  
3       standard samples provided under s. 93.06 (1s).

4       SECTION 122. 77.54 (43) of the statutes is amended to read:

5       77.54 (43) The ~~gross receipts~~ sales price from the sale of and the storage, use  
6       or other consumption of raw materials used for the processing, fabricating or  
7       manufacturing of, or the attaching to or incorporating into, printed materials that  
8       are transported and used solely outside this state.

9       SECTION 123. 77.54 (44) of the statutes is amended to read:

10       77.54 (44) The ~~gross receipts~~ sales price from the collection of public benefits  
11       fees that are charged under s. 16.957 (4) (a) or (5) (a).

12       SECTION 124. 77.54 (45) of the statutes is amended to read:

13       77.54 (45) The ~~gross receipts~~ sales price from the sale of and the use or other  
14       consumption of a onetime license or similar right to purchase admission to  
15       professional football games at a football stadium, as defined in s. 229.821 (6), that  
16       is granted by a municipality; a local professional football stadium district; or a  
17       professional football team or related party, as defined in s. 229.821 (12); if the person  
18       who buys the license or right is entitled, at the time the license or right is transferred  
19       to the person, to purchase admission to at least 3 professional football games in this  
20       state during one football season.

21       SECTION 125. 77.54 (46) of the statutes is amended to read:

22       77.54 (46) The ~~gross receipts~~ sales price from the sale of and the storage, use,  
23       or other consumption of the U.S. flag or the state flag. This subsection does not apply  
24       to a representation of the U.S. flag or the state flag.

25       SECTION 126. 77.54 (46m) of the statutes is amended to read:

1        77.54 (46m) The ~~gross receipts~~ sales price from the sale of and the storage, use,  
2        or other consumption of telecommunications services, if the telecommunications  
3        services are obtained by using the rights to purchase telecommunications services,  
4        including purchasing reauthorization numbers, by paying in advance and by using  
5        an access number and authorization code; and if the tax imposed under s. 77.52 or  
6        77.53 was previously paid on the sale or purchase of such rights.

7        SECTION 127. 77.55 (1) (intro.) of the statutes is amended to read:

8        77.55 (1) (intro.) There are is exempted from the computation of the amount  
9        of the sales tax the ~~gross receipts~~ sales price from the sale of any tangible personal  
10       property or services to:

11       SECTION 128. 77.55 (2) of the statutes is amended to read:

12       77.55 (2) There are is exempted from the computation of the amount of the sales  
13       tax the ~~gross receipts~~ sales price from sales of tangible personal property to a  
14       common or contract carrier, shipped by the seller via the purchasing carrier under  
15       a bill of lading whether the freight is paid in advance, or the shipment is made freight  
16       charges collect, to a point outside this state and the property is actually transported  
17       to the out-of-state destination for use by the carrier in the conduct of its business  
18       as a carrier.

19       SECTION 129. 77.55 (2m) of the statutes is amended to read:

20       77.55 (2m) There are is exempted from the computation of the amount of sales  
21       tax the ~~gross receipts~~ sales price from sales of railroad crossties to a common or  
22       contract carrier, shipped wholly or in part by way of the purchasing carrier under a  
23       bill of lading, whether the freight is paid in advance or the shipment is made freight  
24       charges collect, to a point outside this state if the property is transported to the  
25       out-of-state destination for use by the carrier in the conduct of its business as a



1 carrier. Interruption of the shipment for storage, drying, processing or creosoting of  
2 the railroad crossties in this state does not invalidate the exemption under this  
3 subsection.

4 SECTION 130. 77.55 (3) of the statutes is amended to read:

5 77.55 (3) ~~There are~~ is exempted from the computation of the amount of the sales  
6 tax the ~~gross receipts~~ sales price from sales of tangible personal property purchased  
7 for use solely outside this state and delivered to a forwarding agent, export packer,  
8 or other person engaged in the business of preparing goods for export or arranging  
9 for their exportation, and actually delivered to a port outside the continental limits  
10 of the United States prior to making any use thereof.

11 SECTION 131. 77.56 (1) of the statutes is amended to read:

12 77.56 (1) The storage, use or other consumption in this state of property, the  
13 ~~gross receipts~~ sales price from the sale of which ~~are~~ is reported to the department in  
14 the measure of the sales tax, is exempted from the use tax.

15 SECTION 132. 77.57 of the statutes is amended to read:

16 77.57 Liability of purchaser. If a purchaser certifies in writing to a seller  
17 that the property purchased will be used in a manner or for a purpose entitling the  
18 seller to regard the gross receipts from the sale as exempted by this subchapter from  
19 the computation of the amount of the sales tax and uses the property in some other  
20 manner or for some other purpose, the purchaser is liable for payment of the sales  
21 tax. The tax shall be measured by the sales price of the property to the purchaser,  
22 ~~but if the taxable use first occurs more than 6 months after the sale to the purchaser,~~  
23 ~~the purchaser may use as the measure of the tax either that sales price or the fair~~  
24 ~~market value of the property at the time the taxable use first occurs. This subsection~~  
25 does not apply to candy, soft drinks, and prepared food; or to disposable products that

1 are transferred with candy, soft drinks, and prepared food; that a restaurant  
 2 provides to the restaurant's employees during the work hours of the employees.

3 SECTION 133. 77.58 (3) (b) of the statutes is amended to read:

4 77.58 (3) (b) For purposes of the sales tax the return shall show the gross  
 5 receipts sales price of the seller during the preceding reporting period. For purposes  
 6 of the use tax, in case of a return filed by a retailer, the return shall show the total  
 7 sales purchase price of the property or taxable services sold, the storage, use or  
 8 consumption of which became subject to the use tax during the preceding reporting  
 9 period. In case of a sales or use tax return filed by a purchaser, the return shall show  
 10 the total sales purchase price of the property and taxable services purchased, the  
 11 storage, use or consumption of which became subject to the use tax during the  
 12 preceding reporting period. The return shall ~~also~~ show the amount of the taxes for

13 the period covered by the return and such other information as the department  
 14 deems necessary for the proper administration of this subchapter.

15 SECTION 134. 77.58 (6) of the statutes is amended to read:

16 77.58 (6) For the purposes of the sales tax ~~gross receipts~~, the sales price from  
 17 rentals or leases of tangible personal property shall be reported and the tax paid in  
 18 accordance with such rules as the department prescribes.

19 SECTION 135. 77.58 (6m) of the statutes is created to read:

20 77.58 (6m) The department may, in cases where it is satisfied that an undue  
 21 hardship would otherwise result, permit the reporting of a sales price or purchase

22 price on some basis other than the accrual basis.

23 > A seller referred to in s. 77.524 (3), (4), ~~and~~ (5) shall provide information to the *not more than every six months*  
 24 SECTION 136. 77.585 of the statutes is created to read: *the department in addition*  
 25 77.585 Return adjustments. (1) In this section, "bad debt" means the *tax return*  
 portion of the sales price or purchase price that the seller has reported as taxable *in a form*  
*and manner*  
*prescribed*  
*by the department*

1 under this subchapter and that the seller may claim as a deduction under section 166  
2 of the Internal Revenue Code. "Bad debt" does not include financing charges or  
3 interest, sales or use taxes imposed on the sales price or purchase price, uncollectible  
4 amounts on property that remains in the seller's possession until the full sales price  
5 or purchase price is paid, expenses incurred in attempting to collect any debt, debts  
6 sold or assigned to 3rd parties for collection, and repossessed property.

7 (2) A seller may claim as a deduction on a return under s. 77.58 the amount  
8 of any bad debt that the seller writes off as uncollectible in the seller's books and  
9 records and that is eligible to be deducted as bad debt for federal income tax purposes,  
10 regardless of whether the seller is required to file a federal income tax return. A  
11 seller who claims a deduction under this subsection shall claim the deduction on the  
12 return under s. 77.58 that is submitted for the period in which the seller writes off  
13 the amount of the deduction as uncollectible in the seller's books and records and in  
14 which such amount is eligible to be deducted as bad debt for federal income tax  
15 purposes. If the seller subsequently collects in whole or in part any bad debt for  
16 which a deduction is claimed under this subsection, the seller shall include the  
17 amount collected in the return filed for the period in which the amount is collected  
18 and shall pay the tax with the return.

19 (3) For purposes of computing a bad debt deduction or reporting a payment  
20 received on a previously claimed bad debt, any payment made on a debt or on an  
21 account is applied first to the price of the property or service sold, and the  
22 proportionate share of the sales tax on that property or service, and then to interest,  
23 service charges, and other charges related to the sale.

24 (4) A seller may obtain a refund of the tax collected on any bad debt amount  
25 deducted under sub. (2) that exceeds the amount of the seller's taxable sales as

1 provided under s. 77.59 (4), except that the period for making a claim as determined  
2 under s. 77.59 (4) begins on the date on which the return on which the bad debt could  
3 be claimed would have been required to be submitted to the department under s.  
4 77.58.

5 (5) If a seller is using a certified service provider, the certified service provider  
6 may claim a bad debt deduction under this section on the seller's behalf if the seller  
7 has not claimed and will not claim the same deduction. A certified service provider  
8 who receives a bad debt deduction under this section shall credit that deduction to  
9 the seller and a certified service provider who receives a refund under this section  
10 shall submit that refund to the seller.

11 (6) If a lessor of tangible personal property has reimbursed the vendor for the  
12 sales tax on the sale of the property by the vendor to the lessor, the tax due from the  
13 lessor on the rental receipts may be offset by a credit equal to the tax otherwise due  
14 on the rental receipts from the property for the reporting period. The credit shall  
15 expire when the cumulative rental receipts equal the sales price upon which the  
16 vendor paid sales taxes to this state.

17 (7) If a purchaser of tangible personal property has reimbursed the vendor of  
18 the property for the sales tax on the sale and subsequently, before making any use  
19 of the property other than retention, demonstration, or display while holding it for  
20 sale or rental, makes a taxable sale of the property, the tax due on the taxable sale  
21 may be offset by the tax reimbursed.

22 (8) A seller may claim a deduction on any part of the sales price or purchase  
23 price that the seller refunds in cash or credit as a result of returned property or  
24 adjustments in the sales price or purchase price after the sale has been completed,  
25 if the seller has included the refunded price in a prior return made by the seller and

1 has paid the tax on such price, and if the seller has returned to the purchaser in cash  
2 or in credit all tax previously paid by the purchaser on the amount of the refund at  
3 the time of the purchase. A deduction under this subsection shall be claimed on the  
4 return for the period in which the refund is paid.

5 **SECTION 137.** 77.59 (2m) of the statutes is created to read:

6 **77.59 (2m)** The department may audit, or may authorize others to audit, sellers  
7 and certified service providers who are registered with the department pursuant to  
8 the agreement, as defined in s. 77.65 (2) (a).

9 **SECTION 138.** 77.59 (9) of the statutes is amended to read:

10 **77.59 (9)** If any person fails to file a return, the department shall make an  
11 estimate of the amount of the ~~gross receipts~~ sales price of the ~~person~~ person's sales,  
12 or, as the case may be, of the amount of the total sales purchase price of tangible  
13 personal property or taxable service sold or purchased by the person, the sale by or  
14 the storage, use or other consumption of which in this state is subject to sales or use  
15 tax. The estimate shall be made for the period in respect to which the person failed  
16 to make a return and shall be based upon any information which is in the  
17 department's possession or may come into its possession. Upon the basis of this  
18 estimate the department shall compute and determine the amount required to be  
19 paid to the state, adding to the sum thus arrived at a penalty equal to 25% thereof.  
20 One or more such determinations may be made for one or for more than one period.  
21 When a business is discontinued a determination may be made at any time  
22 thereafter, within the periods specified in sub. (3), as to liability arising out of that  
23 business.

24 **SECTION 139.** 77.59 (9n) of the statutes is created to read:

1       **77.59 (9n)** No seller or certified service provider is liable for any deficiency or  
2 refund under this subchapter that is the result of the seller or certified service  
3 provider relying on erroneous information contained in a database maintained  
4 under s. 73.03 (59) (d) or (e).

5       **SECTION 140.** 77.59 (9p) (b) of the statutes is created to read:

6       **77.59 (9p) (b)** If a customer purchases a service that is not subject to 4 USC 116  
7 to 126, as amended by P.L. 106-252, or tangible personal property, and if the  
8 customer believes that the amount of the tax assessed for the sale of the service or  
9 property under this subchapter is erroneous, the customer may request that the  
10 seller correct the alleged error by sending a written notice to the seller. The notice  
11 shall include a description of the alleged error and any other information that the  
12 seller reasonably requires to process the request. Within 60 days from the date that  
13 a seller receives a request under this paragraph, the seller shall review its records  
14 to determine the validity of the customer's claim. If the review indicates that there  
15 is no error as alleged, the seller shall explain the findings of the review in writing to  
16 the customer. If the review indicates that there is an error as alleged, the seller shall  
17 correct the error and shall refund the amount of any tax collected erroneously, along  
18 with the related interest, as a result of the error from the customer, consistent with  
19 s. 77.59 (4). A customer may take no other action, or commence any action, to correct  
20 an alleged error in the amount of the tax assessed under this subchapter on a service  
21 that is not subject to 4 USC 116 to 126, as amended by P.L. 106-252, or tangible  
22 personal property, unless the customer has exhausted his or her remedies under this  
23 paragraph.

24       **SECTION 141.** 77.59 (9r) of the statutes is created to read:

1        77.59 (9r) With regard to a purchaser's request for a refund under this section,  
2        a seller is presumed to have reasonable business practices if the seller uses a certified  
3        service provider, a certified automated system, as defined in s. 77.524 (1) (a), or a  
4        proprietary system certified by the department to collect the taxes imposed under  
5        this subchapter <sup>and</sup> ~~if the seller has collected and reported to the department all taxes~~  
6        collected ~~imposed~~ under this subchapter, less any deductions, credits, or allowances.

7        SECTION 142. 77.60 (13) of the statutes is created to read:

8        77.60 (13) A person who uses any of the following documents in a manner that  
9        is prohibited by or inconsistent with this subchapter, or provides incorrect  
10       information to a seller or certified service provider related to the use of such  
11       documents or regarding an exemption to the taxes imposed under this subchapter,  
12       shall pay a penalty of \$250 for each invoice or bill of sale related to the prohibited or  
13       inconsistent use or incorrect information:

- 14       (a) An exemption certificate described under s. 77.52 (13).  
15       (b) A direct pay permit under s. 77.52 (17m).  
16       (c) A direct mail form, as defined in s. 77.522 (1) (a) 1.  
17       (d) ~~A~~ <sup>e</sup> multiple-points-of-use exemption form, as defined in s. 77.522 (1) (a)

18       2.

19       SECTION 143. 77.61 (1) (a) of the statutes is renumbered 77.61 (1) (am).

20       SECTION 144. 77.61 (1) (ag) of the statutes is created to read: <sup>Not needed</sup>  
21       77.61 (1) (ag) In this subsection, "Wisconsin retailer" means a retailer who <sup>as 77.51 (13) already defines retailer</sup>  
22       registers with the department to collect the taxes imposed under this subchapter and  
23       subch. V.

24       SECTION 145. 77.61 (1) (b) of the statutes is amended to read:

1           77.61 (1) (b) In the case of a motor vehicle, <sup>boat, trailer, snowmobile, semi-trailer,</sup> ~~aircraft, boat, or mobile home~~, <sup>all-terrain</sup>  
2 <sup>not exceeding 45 feet in length</sup> ~~^~~ purchased from a ~~licensed Wisconsin motor vehicle dealer~~ retailer, the registrant <sup>vehicle</sup>  
3 shall present proof that the tax has been paid to such ~~dealer~~ retailer.

4           **SECTION 146.** 77.61 (1) (c) of the statutes is amended to read:

5           77.61 (1) (c) In the case of motor vehicles, boats, snowmobiles, mobile homes  
6 not exceeding 45 feet in length, trailers, semitrailers, all-terrain vehicles or aircraft  
7 registered or titled, or required to be registered or titled, in this state purchased from  
8 persons who are not ~~Wisconsin boat, trailer or semitrailer dealers, licensed~~  
9 ~~Wisconsin aircraft, motor vehicle or mobile home dealers or registered Wisconsin~~  
10 ~~snowmobile or all-terrain vehicle dealers~~ retailers, the purchaser shall file a sales  
11 tax return and pay the tax prior to registering or titling the motor vehicle, boat,  
12 snowmobile, mobile home not exceeding 45 feet in length, trailer, semitrailer,  
13 all-terrain vehicle or aircraft in this state.

14           **SECTION 147.** 77.61 (3) of the statutes is repealed.

15           **SECTION 148.** 77.61 (3m) of the statutes is created to read:

16           77.61 (3m) A retailer shall use a straight mathematical computation to  
17 determine the amount of the tax that the retailer may collect from the retailer's  
18 customers. The retailer shall calculate the tax amount by combining the applicable  
19 tax rates under this subchapter and subch. V and multiplying the combined tax rate  
20 by the sales price or purchase price of each item or invoice, as appropriate. The  
21 retailer shall calculate the tax amount to the 3rd decimal place, disregard tax  
22 amounts of less than 0.5 cent, and consider tax amounts of at least 0.5 cent but less  
23 than 1 cent to be an additional cent. The use of a straight mathematical computation,  
24 as provided in this subsection, shall not relieve the retailer from liability for payment  
25 of the full amount of the tax levied under ss. 77.51 to 77.62.



- Replace with language from agreement as this definition is limited to individuals

(means information that identifies a person)

1 SECTION 149. 77.61 (5m) of the statutes is created to read:

2 77.61 (5m) (a) In this subsection, "personally identifiable information" has the  
3 meaning given in s. 19.62 (5).

4 (b) A certified service provider may use personally identifiable information as  
5 necessary only for the administration of its system to perform a seller's sales and use  
6 tax functions and shall provide consumers clear and conspicuous notice of its practice  
7 regarding such information, including how it collects the information, how it uses the  
8 information, and under what circumstances it discloses the information.

9 (c) A certified service provider may retain personally identifiable information  
10 only to verify exemption claims, to investigate fraud, and to ensure its system's  
11 reliability. A certified service provider who retains an individual's personally  
12 identifiable information shall provide reasonable notice of such retention to the  
13 individual and shall provide the individual reasonable access to the information and  
14 an opportunity to correct inaccurate information. If any person, other than a state  
15 that is a signatory to the agreement, as defined in s. 77.65 (2) (a), requests access to  
16 an individual's personally identifiable information, the certified service provider  
17 shall make a reasonable and timely effort to notify the individual of the request.

18 (d) A certified service provider shall provide sufficient technical, physical, and  
19 administrative safeguards to protect personally identifiable information from  
20 unauthorized access and disclosure.

21 SECTION 150. 77.61 (16) of the statutes is created to read:

22 77.61 (16) Any person who remits taxes and files returns under this subchapter  
23 may designate ~~a certified service provider~~ an agent as defined in s. 77.65(?) to remit taxes and file returns with the  
24 department in a manner prescribed by the department.

25 SECTION 151. 77.63 (1) (am) of the statutes is created to read:

with respect to taxes imposed  
under ss. 77.52 (1) and (2)  
and 77.53 (1) and (3)

77.65(2)(c) - repeal already in 77.51(10)

Replace  
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77.63 (1) (am) A ~~seller or~~ certified service provider who uses a certified automated system, as defined in s. 77.524 (1) (a) or software certified by the department in accordance with the streamlined sales and use tax agreement, to collect the sales tax and use tax imposed under this subchapter may retain a portion all such collected taxes in an amount determined by the department and by contracts that the department enters into pursuant to the streamlined sales and use tax agreement.

> 77.65 "Agent" means a person appointed by a seller to represent the seller before the member states

SECTION 152. 77.66 of the statutes is created to read:

77.66 Amnesty for new registrants. (1) A seller is not liable for uncollected and unpaid taxes, including penalties and interest, imposed under this subchapter and subch. V on sales made to purchasers in this state before the seller registers under par. (a), if all of the following apply:

(a) The seller registers with the department, in a manner that the department prescribes, to collect and remit the taxes imposed under this subchapter and subch. V on sales to purchasers in this state in accordance with the agreement, as defined in s. 77.65 (2) (a).

(b) The seller registers under par. (a) no later than 365 days after the effective date of this state's participation in the agreement under s. 77.65 (2) (a) .... [revisor inserts date].

(c) The seller was not registered to collect and remit the taxes imposed under this subchapter and subch. V during the 365 consecutive days immediately before the effective date of this state's participation in the agreement under s. 77.65 (2) (a) .... [revisor inserts date].

(d) The seller has not received <sup>a notice of the commencement of</sup> an audit notice from the department or from a state that is a signatory to the agreement, as defined in s. 77.65 (2) (a), and is not

(Note to Joe - Administrative may not be an appeal)

1 ~~subject to an audit or involved in an appeal of an audit~~ <sup>Such</sup> is not resolved, including any related administrative  
2 registers under par. (a). <sup>judicial processes,</sup>

3 (e) ~~The seller~~ <sup>Then</sup> is ~~not~~ <sup>no</sup> under investigation <sup>intentional</sup> for fraud or misrepresentation of a  
4 material fact <sup>by the seller, or determined by the department</sup>

5 (f) The seller collects and remits the taxes imposed under this subchapter and  
6 subch. V on sales to purchasers in this state for at least 3 consecutive years after the  
7 date on which the seller registers under par. (a).

8 (2) Subsection (1) does not apply to taxes imposed under this subchapter and  
9 subch. V that are due from the seller for purchases made by the seller.

10 (3) The statute of limitations for determining a tax liability under s. 77.59 (3)  
11 shall ~~not~~ run during the 3 years described under sub. (1) (f).

12 SECTION 153. 77.70 of the statutes is amended to read:

13 **77.70 Adoption by county ordinance.** Any county desiring to impose county  
14 sales and use taxes under this subchapter may do so by the adoption of an ordinance,  
15 stating its purpose and referring to this subchapter. The county sales and use taxes  
16 may be imposed only for the purpose of directly reducing the property tax levy and  
17 only in their entirety as provided in this subchapter. That ordinance shall be  
18 effective on the first day of January, the first day of April, the first day of July or the  
19 first day of October. A certified copy of that ordinance shall be delivered to the  
20 secretary of revenue at least 120 days prior to its effective date. The repeal of any  
21 such ordinance shall be effective on December 31. A certified copy of a repeal  
22 ordinance shall be delivered to the secretary of revenue at least ~~60~~ 120 days before  
23 the effective date of the repeal.

24 SECTION 154. 77.705 of the statutes is amended to read:

✓ s. 77.65(2)(e) - insert "tangible" before "personal property"

1       **77.705 Adoption by resolution; baseball park district.** A local  
2 professional baseball park district created under subch. III of ch. 229, by resolution  
3 under s. 229.68 (15), may impose a sales tax and a use tax under this subchapter at  
4 a rate of no more than 0.1% of the gross receipts or sales price. Those taxes may be  
5 imposed only in their entirety. The resolution shall be effective on the first day of the  
6 ~~first month~~ January 1, April 1, July 1, or October 1 that begins at least 30 120 days  
7 after the adoption of the resolution.

8       **SECTION 155.** 77.706 of the statutes is amended to read:

9       **77.706 Adoption by resolution; football stadium district.** A local  
10 professional football stadium district created under subch. IV of ch. 229, by  
11 resolution under s. 229.824 (15), may impose a sales tax and a use tax under this  
12 subchapter at a rate of 0.5% of the gross receipts or sales price. Those taxes may be  
13 imposed only in their entirety. The imposition of the taxes under this section shall  
14 be effective on the first day of the first month January 1, April 1, July 1, or October  
15 1 that begins at least 30 120 days after the certification of the approval of the  
16 resolution by the electors in the district's jurisdiction under s. 229.824 (15).

17       **SECTION 156.** 77.707 (1) of the statutes is amended to read:

18       **77.707 (1)** Retailers and the department of revenue may not collect a tax under  
19 s. 77.705 for any local professional baseball park district created under subch. III of  
20 ch. 229 after the last day of the calendar quarter during that is at least 120 days from  
21 the date on which the local professional baseball park district board makes a  
22 certification to the department of revenue under s. 229.685 (2), except that the  
23 department of revenue may collect from retailers taxes that accrued before the day  
24 after the last day of that calendar quarter and fees, interest and penalties that relate  
25 to those taxes.

1       **SECTION 157.** 77.707 (2) of the statutes is amended to read:

2       77.707 (2) Retailers and the department of revenue may not collect a tax under  
3       s. 77.706 for any local professional football stadium district created under subch. IV  
4       of ch. 229 after the last day of the calendar quarter during that is at least 120 days  
5       from the date on which the local professional football stadium district board makes  
6       all of the certifications to the department of revenue under s. 229.825 (3), except that  
7       the department of revenue may collect from retailers taxes that accrued before the  
8       day after the last day of that calendar quarter and fees, interest and penalties that  
9       relate to those taxes.

10       **SECTION 158.** 77.71 (1) of the statutes is amended to read:

11       77.71 (1) For the privilege of selling, licensing, leasing or renting tangible  
12       personal property and for the privilege of selling, performing or furnishing services  
13       a sales tax is imposed upon retailers at the rate of 0.5% in the case of a county tax  
14       or at the rate under s. 77.705 or 77.706 in the case of a special district tax of the ~~gross~~  
15       ~~receipts~~ sales price from the sale, licensing, lease or rental of tangible personal  
16       property, except property taxed under sub. (4), sold, licensed, leased or rented at  
17       retail in the county or special district or from selling, performing or furnishing  
18       services described under s. 77.52 (2) in the county or special district.

19       **SECTION 159.** 77.71 (2) of the statutes is amended to read:

20       77.71 (2) An excise tax is imposed at the rate of 0.5% in the case of a county tax  
21       or at the rate under s. 77.705 or 77.706 in the case of a special district tax of the ~~sales~~  
22       purchase price upon every person storing, using or otherwise consuming in the  
23       county or special district tangible personal property or services if the property or  
24       service is subject to the state use tax under s. 77.53, except that a receipt indicating  
25       that the tax under sub. (1), (3) or (4) has been paid relieves the buyer of liability for

1 the tax under this subsection and except that if the buyer has paid a similar local tax  
2 in another state on a purchase of the same property or services that tax shall be  
3 credited against the tax under this subsection and except that for motor vehicles that  
4 are used for a purpose in addition to retention, demonstration or display while held  
5 for sale in the regular course of business by a dealer the tax under this subsection  
6 is imposed not on the sales purchase price but on the amount under s. 77.53 (1m).

7 **SECTION 160.** 77.71 (3) of the statutes is amended to read:

8 77.71 (3) An excise tax is imposed upon a contractor engaged in construction  
9 activities within the county or special district, at the rate of 0.5% in the case of a  
10 county tax or at the rate under s. 77.705 or 77.706 in the case of a special district tax  
11 of the sales purchase price of tangible personal property that is used in constructing,  
12 altering, repairing or improving real property and that becomes a component part  
13 of real property in that county or special district, except that if the contractor has  
14 paid the sales tax of a county in the case of a county tax or of a special district in the  
15 case of a special district tax in this state on that property, or has paid a similar local  
16 sales tax in another state on a purchase of the same property, that tax shall be  
17 credited against the tax under this subsection.

18 **SECTION 161.** 77.71 (4) of the statutes is amended to read:

19 77.71 (4) An excise tax is imposed at the rate of 0.5% in the case of a county tax  
20 or at the rate under s. 77.705 or 77.706 in the case of a special district tax of the sales  
21 purchase price upon every person storing, using or otherwise consuming a motor  
22 vehicle, boat, ~~snowmobile~~, mobile home not exceeding 45 feet in length, ~~trailer~~,  
23 ~~semitrailer~~, ~~all-terrain vehicle~~ or aircraft, if that property must be registered or  
24 titled with this state and if that property is to be customarily kept in a county that  
25 has in effect an ordinance under s. 77.70 or in a special district that has in effect a

1 resolution under s. 77.705 or 77.706, except that if the buyer has paid a similar local  
2 sales tax in another state on a purchase of the same property that tax shall be  
3 credited against the tax under this subsection.

4 SECTION 162. 77.72 (title) of the statutes is repealed.

5 SECTION 163. 77.72 (1) of the statutes is renumbered 77.72 and amended to  
6 read:

7 **77.72 General rule for property.** For the purposes of this subchapter, all  
8 retail sales of tangible personal property <sup>and services take place</sup> ~~are completed at the time when, and the~~  
9 ~~place where, the seller or the seller's agent transfers possession to the buyer or the~~  
10 ~~buyer's agent. In this subsection, a common carrier or the U.S. postal service is the~~  
11 ~~agent of the seller, regardless of any f.o.b. point and regardless of the method by~~  
12 ~~which freight or postage is paid. Rentals and leases of property, except property~~  
13 ~~under sub. (2), have a situs at the location of that property as provided in s. 77.522.~~

14 SECTION 164. 77.72 (2) and (3) of the statutes are repealed.

15 SECTION 165. 77.77 (1) of the statutes is amended to read:

16 <sup>(a)</sup>  
17 77.77 (1) <sup>e</sup> The gross receipts sales price from services subject to the tax under  
18 s. 77.52 (2) are ~~is not~~ subject to the taxes under this subchapter, and the incremental  
19 amount of tax caused by a rate increase applicable to those services ~~is not due, if those~~  
20 ~~for the first billing period starting on or after~~ <sup>are billed to the customer and paid for before the effective date of the county</sup>  
21 ordinance, special district resolution or rate increase, whether the service is  
22 furnished to the customer before or after that date.

23 SECTION 166. 77.785 (1) of the statutes is amended to read:

24 77.785 (1) All retailers shall collect and report the taxes under this subchapter  
25 on the gross receipts sales price from leases and rentals of property under s. 77.71  
(4).

77.77(1)(b) The sales price from services subject to the tax under s. 77.52(2)  
is subject to the taxes under this subchapter, and the incremental amount  
of tax caused by a rate decrease applicable to those services for bills rendered  
on or after the effective date of the county ordinance, special district resolution  
or rate increase, when the service is furnished to the customer before or after the  
date.

Sec  
329  
of  
Agreement

1       **SECTION 167.** 77.785 (2) of the statutes is amended to read:

2       77.785 (2) Prior to registration or titling, a retailer of a boat, all-terrain vehicle,  
3 ~~trailer and semi-trailer dealers and licensed aircraft, motor vehicle, or mobile home~~  
4 ~~and snowmobile dealers~~ shall collect the taxes under this subchapter on sales of  
5 items under s. 77.71 (4). The dealer retailer shall remit those taxes to the  
6 department of revenue along with payments of the taxes under subch. III.

7       **SECTION 168.** 77.98 of the statutes is amended to read:

8       **77.98 Imposition.** A local exposition district under subch. II of ch. 229 may  
9 impose a tax on the retail sale, except sales for resale, within the district's  
10 jurisdiction under s. 229.43 of products that are subject to a tax under s. 77.54 (20)  
11 (c) 1. to 3., 2001 stats., and not exempt from the sales tax under s. 77.54 (1), 2001  
12 stats., s. 77.54 (4), 2001 stats., s. 77.54 (7) (a), 2001 stats., s. 77.54 (7m), 2001 stats.,  
13 s. 77.54 (9), 2001 stats., s. 77.54 (9a), 2001 stats., or s. 77.54 (20) (c) 5., 2001 stats.

14       **SECTION 169.** 77.981 of the statutes is amended to read:

15       **77.981 Rate.** The tax under s. 77.98 is imposed on the sale of taxable products  
16 at the rate of 0.25% of the ~~gross receipts~~ sales price, except that the district, by a vote  
17 of a majority of the authorized members of its board of directors, may impose the tax  
18 at the rate of 0.5% of the ~~gross receipts~~ sales price. A majority of the authorized  
19 members of the district's board may vote that, if the balance in a special debt service  
20 reserve fund of the district is less than the requirement under s. 229.50 (5), the tax  
21 rate under this subchapter is 0.5%. The 0.5% rate shall be effective on the next  
22 January 1, April 1, July 1 or October 1, and this tax is irrevocable if any bonds issued  
23 by the district and secured by the special debt service reserve fund are outstanding.

24       **SECTION 170.** 77.982 (2) of the statutes is amended to read:



11.585

X 1 77.982 (2) Sections 77.51 (4) (a), (b) 1., 2. and 4., (c) 1. to 3. and (d), (14) (a) to  
2 (f), (j) and (k) and (14g), and (15a), 77.52 (3), (6), (13), (14), (18), and (19), 77.522,  
3 77.58 (1) to (5) and (7), 77.59, 77.60, 77.61 (2), (5), (8), (9), and (12) to (14), and 77.62,  
4 as they apply to the taxes under subch. III, apply to the tax under this subchapter.  
5 Sections 77.72 (1) and 77.73, as they apply to the taxes under subch. V, apply to the  
6 tax under this subchapter.

7 SECTION 171. 77.99 of the statutes is amended to read:

8 77.99 Imposition. A local exposition district under subch. II of ch. 229 may  
9 impose a tax at the rate of 3% of the ~~gross receipts~~ sales price on the rental, but not  
10 for rental and not for rental as a service or repair replacement vehicle, within the  
11 district's jurisdiction under s. 229.43, of Type 1 automobiles, as defined in s. 340.01  
12 (4) (a), by establishments primarily engaged in short-term rental of passenger cars  
13 without drivers, for a period of 30 days or less, unless the sale is exempt from the sales  
14 tax under s. 77.54 (1), (4), (7) (a), (7m), (9) or (9a). If the state makes a payment under  
15 s. 229.50 (7) to a district's special debt service reserve fund, a majority of the district's  
16 authorized board of directors may vote to increase the tax rate under this subchapter  
17 to 4%.

18 SECTION 172. 77.991 (2) of the statutes is amended to read:

19 77.991 (2) Sections 77.51 (4) (a), (b) 1., 2. and 4., (c) 1. to 3. and (d) and (14) (a)  
20 <sup>11.585</sup> to (f), (j), and (k) and (15a), 77.52 (4), (6), (13), (14), and (18), 77.58 (1) to (5) and (7),  
X 21 77.59, 77.60, 77.61 (2), (5), (8), (9), and (12) to (14), and 77.62, as they apply to the  
22 taxes under subch. III, apply to the tax under this subchapter. Sections 77.72 (1),  
23 2001 stats., and 77.72 (2) (a), 2001 stats., and s. 77.73, as they apply to the taxes  
24 under subch. V, apply to the tax under this subchapter. The renter shall collect the  
25 tax under this subchapter from the person to whom the passenger car is rented.

1       **SECTION 173.** 77.994 (1) (intro.) of the statutes is amended to read:

2       77.994 (1) (intro.) Except as provided in sub. (2), a municipality or a county all  
3       of which is included in a premier resort area under s. 66.1113 may, by ordinance,  
4       impose a tax at a rate of 0.5% of the ~~gross receipts~~ sales price from the sale, license,  
5       lease, or rental in the municipality or county of goods or services that are taxable  
6       under subch. III made by businesses that are classified in the standard industrial  
7       classification manual, 1987 edition, published by the U.S. office of management and  
8       budget, under the following industry numbers:

9       **SECTION 174.** 77.9941 (4) of the statutes is amended to read:

10       77.9941 (4) Section 77.59 (9p) (b), as it applies to the taxes under subch. III,  
11       applies to the tax under this subchapter. Sections 77.72 (1), 2001 stats., 77.72 (2) (a),  
12       2001 stats., and 77.72 (3) (a), 2001 stats., and ss. 77.73, 77.74, 77.75, 77.76 (1), (2),  
13       and (4), 77.77 (1) and (2), 77.785 (1), and 77.79, as they apply to the taxes under  
14       subch. V, apply to the tax under this subchapter.

15       **SECTION 175.** 77.995 (2) of the statutes is amended to read:

16       77.995 (2) There is imposed a fee at the rate of 3%, or 5% for the rental of  
17       limousines, of the ~~gross receipts~~ sales price on the rental, but not for rerental and not  
18       for rental as a service or repair replacement vehicle of Type 1 automobiles, as defined  
19       in s. 340.01 (4) (a); of mobile homes, as defined in s. 340.01 (29); of motor homes, as  
20       defined in s. 340.01 (33m); and of camping trailers, as defined in s. 340.01 (6m) by  
21       establishments primarily engaged in short-term rental of vehicles without drivers,  
22       for a period of 30 days or less, unless the sale is exempt from the sales tax under s.  
23       77.54 (1), (4), (7) (a), (7m) or (9a).

24       **SECTION 176.** 77.9951 (2) of the statutes is amended to read:

1           77.9951 (2) Sections 77.51 (4) (a), (b) 1., 2. and 4., (c) 1. to 3. and (d) and (14)  
2           (a) to (f), (j), and (k) and (15a), 77.52 (4), (6), (13), (14), and (18), 77.58 (1) to (5) and  
3           <sup>77.585</sup> (7), 77.59, 77.60, 77.61 (2), (5), (8), (9), and (12) to (14), and 77.62, as they apply to  
4           the taxes under subch. III, apply to the fee under this subchapter. The renter shall  
5           collect the fee under this subchapter from the person to whom the vehicle is rented.

6           **SECTION 177.** 86.195 (3) (b) 3. of the statutes is amended to read:

7           86.195 (3) (b) 3. Fifty percent of the gross receipts of the business are from meal,  
8           ~~food, the sale of food product and beverage sales and food ingredients, as defined in~~  
9           s. 77.51 (3t), that are taxable under s. 77.54 (20) (e) subch. III of ch. 77; and

10          **SECTION 178.** 218.0171 (2) (cq) of the statutes is amended to read:

11          218.0171 (2) (cq) Upon payment of a refund to a consumer under par. (b) 2. b.,  
12          the manufacturer shall provide to the consumer a written statement that specifies  
13          the trade-in amount previously applied under s. 77.51 (4) (b) 3. ~~or 3m. or (15) (b) 4.~~  
14          ~~or 4m. (12m) (b) 5. or 6. or (15a) (b) 5. or 6.~~ toward the sales price of the motor vehicle  
15          having the nonconformity and the date on which the manufacturer provided the  
16          refund.

17          **SECTION 9145. Nonstatutory provisions; revenue.**

18          (1) THE STREAMLINED SALES AND USE TAX AGREEMENT. The department of revenue  
19          shall notify the revisor of statutes of the effective date of this state's participation in  
20          the streamlined sales and use tax agreement, as described in section 77.65 of the  
21          statutes, no later than 30 days after such effective date is determined.

22          **SECTION 9245. Appropriation changes; revenue.**

23          (1) ADMINISTRATIVE COSTS RELATED TO THE STREAMLINED SALES AND USE TAX  
24          AGREEMENT. In the schedule under section 20.005 (3) of the statutes for the  
25          appropriation to the department of revenue under section 20.566 (1) (a) of the

1 statutes, as affected by the acts of 2003, the dollar amount is increased by \$25,000  
2 for fiscal year 2003-04 and the dollar amount is increased by \$25,000 for fiscal year  
3 2004-05 to pay for administrative costs related to the streamlined sales and use tax  
4 agreement.

5 **SECTION 9445. Effective dates; revenue.**

6 (1) IMPLEMENTING THE STREAMLINED SALES AND USE TAX AGREEMENT. The repeal  
7 of sections 77.51 (4), 77.51 (14) (d), 77.51 (14) (j), 77.51 (14r), 77.51 (15), 77.52 (6),  
8 77.52 (14) (a) 2., 77.523 (title), 77.53 (4), 77.54 (14g), 77.54 (14s), 77.54 (20), 77.54  
9 (20m), 77.54 (22), 77.54 (28), 77.54 (40), 77.61 (3), 77.72 (title), and 77.72 (2) and (3)  
10 of the statutes, the renumbering of sections 77.51 (1), 77.524 (1) (b), and 77.61 (1) (a)  
11 of the statutes, the renumbering and amendment of sections 77.52 (1), 77.523, and  
12 77.72 (1) of the statutes, the consolidation, renumbering, and amendment of section  
13 77.52 (14) (a) (intro.) and 1. and (b) of the statutes, the amendment of sections  
14 66.0615 (1m) (f) 2., 70.111 (23), 73.03 (50) (d), 76.07 (4g) (b) 8., 77.51 (13) (o), 77.51  
15 (14) (intro.), 77.51 (17), 77.51 (20), 77.51 (21), 77.52 (2) (intro.), 77.52 (2) (a) 10., 77.52  
16 (7), 77.52 (13), 77.52 (15), 77.53 (1), 77.53 (9), 77.53 (9m), 77.53 (10), 77.53 (11), 77.53  
17 (16), 77.53 (17), 77.53 (17m), 77.53 (17r) (a), 77.53 (18), 77.54 (1), 77.54 (2), 77.54  
18 (2m), 77.54 (3) (a), 77.54 (3m) (intro.), 77.54 (4), 77.54 (5) (intro.), 77.54 (6) (intro.),  
19 77.54 (8), 77.54 (9), 77.54 (9a) (intro.), 77.54 (10), 77.54 (11), 77.54 (12), 77.54 (13),  
20 77.54 (14) (intro.), 77.54 (14) (a), 77.54 (14) (b), 77.54 (14) (f), 77.54 (15), 77.54 (16),  
21 77.54 (17), 77.54 (18), 77.54 (21), 77.54 (23m), 77.54 (25), 77.54 (26), 77.54 (26m),  
22 77.54 (27), 77.54 (29), 77.54 (30) (a) (intro.), 77.54 (30) (c), 77.54 (31), 77.54 (32), 77.54  
23 (33), 77.54 (34), 77.54 (35), 77.54 (36), 77.54 (37), 77.54 (38), 77.54 (39), 77.54 (41),  
24 77.54 (42), 77.54 (43), 77.54 (44), 77.54 (45), 77.54 (46), 77.54 (46m), 77.55 (1) (intro.),  
25 77.55 (2), 77.55 (2m), 77.55 (3), 77.56 (1), 77.57, 77.58 (3) (b), 77.58 (6), 77.59 (9), 77.61

1 (1) (b), 77.61 (1) (c), 77.70, 77.705, 77.706, 77.707 (1), 77.707 (2), 77.71 (1), 77.71 (2),  
2 77.71 (3), 77.71 (4), 77.77 (1), 77.785 (1), 77.785 (2), 77.98, 77.981, 77.982 (2), 77.99,  
3 77.991 (2), 77.994 (1) (intro.), 77.9941 (4), 77.995 (2), 77.9951 (2), 86.195 (3) (b) 3., and  
4 218.0171 (2) (eq) of the statutes, the repeal and recreation of section 77.51 (7) of the  
5 statutes, and the creation of sections 73.03 (50b), 73.03 (59), 77.51 (1b), 77.51 (1e),  
6 77.51 (1n), 77.51 (1p), 77.51 (2k), 77.51 (2m), 77.51 (3p), 77.51 (3pd), 77.51 (3pj), 77.51  
7 (3pm), 77.51 (3pp), 77.51 (3t), 77.51 (7m), 77.51 (10m), 77.51 (10n), 77.51 (10r), 77.51  
8 (11m), 77.51 (12m), 77.51 (12p), 77.51 (13s), 77.51 (15a), 77.51 (17w), 77.51 (22) (bm),  
9 77.51 (21p), 77.52 (1) (b), 77.52 (1) (c), 77.52 (7b), 77.522, 77.54 (20n), 77.54 (22b),  
10 77.58 (6m), 77.585, 77.59 (2m), 77.59 (9n), 77.59 (9p) (b), 77.59 (9r), 77.60 (13), 77.61  
11 (1) (ag), 77.61 (3m), 77.61 (5m), 77.61 (16), 77.63 (1) (am), and 77.66 of the statutes  
12 take effect on the first day of the 3rd month beginning after publication.

13

(END)

Insert 1

77.63(1)(am) The following persons may retain a portion of sales and use taxes collected on retail sales under subch. III and V, in an amount to be determined by the department and by contracts that the department enters into pursuant to the streamlined sales and use tax agreement:

1. A certified service provider as defined in s. 77.51(1g), Stats.
2. Sellers using a certified automated system, as defined in s. 77.524(1)(a), Stats.
3. A seller that has sales in at least five member states, has total annual sales revenue of at least five hundred million dollars, has a proprietary system that calculates the amount of tax due each jurisdiction, and has entered into a performance agreement under the streamlined sales tax agreement that establishes a tax performance standard for the seller. As used in this section, a seller includes an affiliated group of sellers using the same proprietary system.

Insert 2

Add following definitions:

1. ~~(??)(a)~~ "Sales, lease, or rental for resale, sublease, or subrent" includes transfers by a service provider of tangible personal property in conjunction with but not incidental to the selling, performing or furnishing of any service, and transfers by a service provider selling, performing or furnishing services under s. 77.52(2)(a)7, 10, 11, and 20, Stats. (Joe – remove from 77.51(14)(L))  
(??)(b) "Sales, lease, or rental for resale, sublease, or subrent" does not include:
  2. The sale of building materials, supplies, and equipment to owners, subcontractors, or builders for use in real property construction activities or the alteration, repair, or improvement of real property, whatsoever quantify sold. (Joe – remove from 77.51(14)(i))
  3. Any sale of tpp to a purchaser, even though such property may be used or consumed by some other person to whom such purchaser transfers the tangible personal property without consideration, such as gifts, and advertising specialties distributed gratis apart from the sale of other tangible personal property or services. (Joe – remove from 77.51(14)(k))
  4. Transfers by a service provider of tangible personal property in conjunction with the selling, performing or furnishing of any service if the tangible personal property is incidental to the service, unless the service provider is selling, performing, or furnishing services under s. 77.52(2)(a)7, 10, 11, and 20, Stats. This subsection does not apply to sub. (2).